

**Information Network of Kansas
Board Meeting
April 5, 2007**

The April 5, 2007 meeting was held at the KDOT Office, 700 SW Harrison, 2nd Floor, Topeka, KS 66603. At 10:05 a.m. Chairman Yunk called the meeting to order.

The following Board members and proxy were present: Stan Ahlerich, Tim Blevins, Duncan Friend, David King, Denise Moore, Dennis Slimmer, Ron Thornburgh, Roger Winfrey, Tom Winters, and Dan Yunk. Others present were: Jim Hollingsworth, INK Executive Director; Lisa Counts, Brent Hoffman, Scott Morrison, and DiAnna Wages of Kansas Information Consortium (KIC); Phil Elwood, INK General Counsel; Dan Korber, Kansas, Inc.

Yunk noted several changes to the order of the agenda based on discussions between Yunk, Hollingsworth, and Counts, in an effort to improve the flow of INK Meetings. Yunk noted the transition from Smith to Counts was going well.

Approval of Minutes

Yunk referred to the Minutes of the March 1, 2007 meeting and requested corrections. A motion was made by Slimmer to approve the March 1, 2007 Minutes. Seconded by Thornburgh. Motion carried.

INK Counsel

Elwood provided an overview of the maintenance window provision in relation to the contract between INK and KIC. Elwood noted at the last meeting the recommendation was not to amend the contract between INK and KIC; however, per the Board's request he had drafted a proposed resolution to be considered by the INK Board in regards to the maintenance window provision. The following is part of the proposed resolution:

. . . NOW, THEREFORE, BE IT RESOLVED, that KIC is to be advised that the conduct of network maintenance during periods the State of Kansas network is down for scheduled maintenance is acceptable and shall not apply against the downtime limitations of Section 2.2 of the Contract; it is acknowledged that a few INK network functions would not be affected by State network maintenance downtime; however, those applications will be disregarded for contract compliance purposes. Discussion ensued.

Counts noted KIC makes efforts to conform with the movements of the state in regards to maintenance windows, and also provides prior notification to partners of any anticipated downtime or maintenance windows.

Blevins provided Elwood with written suggestions in regards to emergency maintenance for the proposed amendment.

Counts noted that KIC would like to review the proposed resolution with their legal counsel to determine any potential issues with it.

Elwood noted this item did not require immediate action of the Board, and would revise and send the document to the INK Board and KIC.

Elwood distributed the revised Executive Director Roles document to the Board, noting no further comments had been received from the Board. Elwood stated the revised version reflected the Board's modifications from the March 1, 2007 meeting. Discussion ensued.

Thornburg requested clarification regarding oversight of the Network Manager, whether supervise/monitor was the correct language and accurately depicted the role. Elwood noted that this wording was not an issue and shouldn't be construed as direct supervision. Discussion ensued.

Thornburg requested clarification regarding the surveys mentioned in the Executive Director Roles, as some surveys were already conducted by the Network Manager and whether this task should be included as a specific task in this document. Discussion ensued

Counts noted that KIC currently conducts a variety of surveys and would like to continue with these efforts, but acknowledged a 3rd party survey may also be useful.

Hollingsworth noted the point of any business survey, is to hear from your customers where improvement may be realized. Currently INK does a good job surveying our agency partners and general citizen public, however doesn't do a very good job talking to our most valued customers, our subscribers. Hollingsworth noted the Board would have the opportunity to review any survey before it would be sent out.

Thornburgh noted the importance of this, but questioned whether this needed to be listed in the Executive Director Job description.

Discussion ensued, and Board consensus was this item was important; however, it did not need to be specifically included in the Executive Director Job description. Yunk noted Hollingsworth and Counts should discuss what is currently being done regarding surveys, what is missing, and fill in any gaps in this process.

A motion was made by Thornburgh to accept the revised Executive Director Job description with the deletion of Section 2F. Seconded by King. Discussion ensued.

Ahlerich requested clarification of the previous issue regarding the monitoring language in regards to INK Executive Director and KIC. Elwood noted the Executive Director would simply monitor the contract in regards to INK/KIC compliance and bring any potential compliance issues to the Board.

Thornburgh questioned the coordination of budgets language in the contract. Elwood noted the coordination of business plans between INK/KIC would cover this issue.

Counts questioned whether this meant INK/KIC developing the budget together. Elwood noted that this was a timing issue in regards to the budgets only. Hollingsworth noted the projected budget for the portal revenues and cost of sales would be developed by KIC and supplied to the Executive Director. The Executive Director would then develop the INK Board expenses, including grants based upon those projections supplied by KIC. KIC's projected budget for internal operational expenses would be separately developed and retained by KIC.

Yunk referred the Board to the previous motion regarding the Executive Director Job description by Thornburgh, seconded by King. Motion carried.

Yunk noted the Executive Director Review is due in April of each year, and this task has not been on schedule for some time. Yunk noted while a review had just been finished, another review should begin shortly to bring this task up to date and current, and encouraged the Board not neglect this task in the future.

Elwood noted from a previous discussion, Hollingsworth's contract with the INK Board had expired during June 2006. Elwood recommended the Board approve the same contract, with a new start date of July 1, 2006 to an expiration date of June 30, 2007.

A motion was made by Winfrey to approve the same contract between Hollingsworth and the INK Board for the period of July 1, 2006 to June 30, 2007. Seconded by Thornburgh. Discussion ensued.

The Board discussed whether a contract was needed, and Elwood noted that a contract wasn't necessarily needed from the Board's perspective. Hollingsworth noted the contract helped describe the relationship between INK and Kansas, Inc. for budgetary reasons, and also included a non-compete clause for the Executive Director.

Yunk referred the Board to the previous motion regarding the Executive Director Contract by Winfrey, seconded by Thornburgh. Motion carried.

At 10:55 a.m. Thornburgh moved that the open meeting of the Information Network of Kansas be recessed for a closed, executive meeting pursuant to Joint Rule 5 of the Joint Rules of the Senate and House of Representatives and subsection (b) (13) of KSA 2000 Supp. 75-4319, as amended by Section 2 of Chapter 190 of the 2001 Session Laws of Kansas, for the purpose of consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship. No binding action shall be taken during the closed or executive recess, and that the Information Network of Kansas resume the open meeting in this room, KDOT Executive Conference Room at 11:15am., and that this motion, if adopted, be recorded in the minutes of the Information Network of Kansas and be maintained as a part of the permanent records of the Board;

Seconded by Ahlerich. Motion carried.

At 11:15 a.m. Yunk called the meeting back to order noting no binding action had taken place.

Elwood noted the Network Manager Contract Compliance Audit had been completed and through this process compliance was tested with all components of the Contract. Elwood noted that both Hollingsworth and Counts had participated in this process, and all contract compliance issues had been resolved. Elwood noted issues where "Not Applicable" was selected as the issues were contingent upon a specific occurrence that hadn't occurred and there was no need to test these. Elwood noted from his view the audit was complete and ready for Board action.

A motion was made by Thornburgh to accept the Network Manager Contract Compliance Audit. Seconded by Winters. Motion carried.

A motion was made by Thornburgh to authorize the INK Chair to sign a Letter of Intent to Renew between INK/KIC, for a contract period beginning January 1, 2008 and terminating on December 31, 2009. Seconded by Winfrey. Motion carried.

Executive Director Report

At 11:20 a.m. Thornburg was excused from the meeting.

Hollingsworth referred the Board to the April 5, 2007 Executive Director Report included in their packets.

Hollingsworth provided an update on the KDOR VIPS feasibility study, noting the amount processed was \$77,550 less than what was originally requested, but does not forego additional requirements to complete the feasibility study request up to the agreed upon grant amount.

Hollingsworth provided an update on the KPTS Statehouse Spotlight grant request. Hollingsworth expressed gratification from the KPTS for consideration of their previous grant reallocation request. Hollingsworth noted they requested the Board to further consider the reallocation of \$10,000 earmarked for personnel to promotion. Discussion ensued.

A motion was made by Blevins to authorize the INK Executive Director to establish an agreement with KPTS in the amount of \$10,000 and that the \$10,000 would be separate from the grant and would be an expense item to the INK Board for the calendar year 2007. Within this agreement, the INK Executive Director would bring information regarding what the \$10,000 would provide in regards to marketing/promotion, and this information would be provided to the INK Board at the May 2007 INK Board meeting. Seconded by Winters. Motion carried.

Friend requested clarification on the security breach that occurred on the state web portal of Indiana. Counts noted the breach only occurred in Indiana, and did not involve any customer payment tools used by Kansas.

Hollingsworth referred the Board to the Portal Gross Receipts handout within their packet and provided a brief overview of the information presented.

Counts noted that this document may be misleading to the public, citing its depiction of percent of gross revenues and portal gross receipts. Counts noted the concept was a good one, but from an image perspective it may be misrepresenting the portal and its transactions. Discussion ensued.

Hollingsworth noted the importance of knowing the amount of funds that flow through the portal.

Blevins noted a better understanding of liability of INK and the Kan-Pay payment portal would be useful, and questioned whether there were any liability issues in regards to funds while they are in transient in the payment engine and before they are properly dispersed back to the organizations due the payments.

Counts noted more understanding of INK, KIC, and the portal would be useful; however cited this document, from an image standpoint may not be the best way to get the message out.

Yunk noted Hollingsworth and Counts should continue the conversation on this and report back to the Board.

Hollingsworth provided an overview of the Portal Application Objective Achievement Rating document, stating this resource tool provided a high-level assessment view for the Board in regards to overall application performance in regard to INK statutory and strategic requirements. Hollingsworth highlighted key directives from the INK Strategic e-Government Plan for 2007-2009.

Hollingsworth estimated the Board would retain approximately \$814,000 for calendar year 2007 may be made available for grant funds or other purposes. Hollingsworth suggested using a portion of this to address specific agencies, as identified in the INK Strategic Plan and further supported by the Portal Objective Achievement Rating document as potential portal expansion partners with the goal of application diversification and further development of the self-funded model.

Blevins noted several significant changes were coming in the next few years in regards to the primary platforms that are currently used, and this funds segregation may help position INK for participating in those opportunities.

Hollingsworth noted the Network Manager would have a key resource management role in the determination of the capacity for application development, to determine what can/can't be done.

Hollingsworth noted there is tremendous strategic potential to develop new applications and partnerships through this process, and this could provide the necessary investment for INK to get involved with initiatives strategic to INK, from the onset. Discussion ensued.

Yunk noted the Board would require time to study the documentation and would spend additional time with this at a later date.

Hollingsworth noted that he, Counts, and Hoffman had met regarding the Business Plan and Network Manager Reporting Templates. Hollingsworth noted there was agreement on most of the issues; however they requested Board input regarding this topic to ensure the needs of the Board are being met with regard to report content.

Counts noted that KIC would like the opportunity to look at this further.

Yunk noted the Board would review the documentation further and an example report would be provided by KIC at the next meeting.

Network Manager Report

Counts provided an update on the KIC financials for the period ending February 28, 2007. Counts noted the financials were in-line with the budget.

Counts noted there were no new Service requests.

Counts noted there five new contracts for the Board to review:

- The **Kansas Secretary of State Business Entity Dissolutions** requests that INK assist in providing an online application to allow business entities to file and pay for business dissolutions. This will be created as a fee service. Development of the INK service is at no cost to the Secretary of State's Office.
- The **Kansas Secretary of State Business Entity Name Changes** requests that INK assist in providing business entities to file and pay for business entity name changes online. This will be created as a fee service. Development of the INK service is at no cost to the Secretary of State's Office.
- **Online Property Tax – Butler County** – The Butler County Treasurer's Office requests INK assist in providing their county citizens the ability to pay property taxes online. This will be created as a fee service. Development of the INK service is at no costs to the Treasurer's Office.
- The **Kansas Secretary of State Articles of Incorporation** requests a change in the fee schedule to reflect pricing changes made by the Secretary of State's Office. This fee change does not affect INK revenue.
- The **Kansas Secretary of State Annual Reports** requests a change in the fee schedule to reflect pricing changes made by the Secretary of State's Office. This fee does not affect INK revenue.

A motion was made by Slimmer to approve all Contracts previously listed. Seconded by Winfrey. Motion carried.

Wages provided a presentation regarding the portal redesign, which she stated should occur approximately every two years.

The Board requested clarification regarding the usability testing of the redesign, noting a variety of groups should be used.

At 12:20 Ahlerich was excused from the meeting.

Treasurer's Report

Hollingsworth provided the Treasurer's Report for the period ending February 28, 2007.

Slimmer requested clarification regarding the large difference in accounts receivable. Hollingsworth noted this was a timing/accounting issue, due to the shortened month of February. Hollingsworth noted the issue had been referred to the INK accountants and has been reasonably assured of its validity and this issue would most likely be resolved in next month's financials.

A motion was made by Winfrey to receive the Treasurer's Report for the period ending February 28, 2007. Seconded by Slimmer. Motion carried.

Other Business

Yunk noted the Executive Director Review Subcommittee would be created to get the Board on schedule with this task, and appointed Winfrey (Chair), Dunham, and Wagnon or Blevins to the Subcommittee. While this task is due on April 30, 2007, Yunk noted that a June 2007 completion date would be acceptable, given previous review completion dates.

Adjourn

With no further action, Yunk adjourned the meeting at 12:25 p.m.

Respectfully submitted



Joan Wagnon
Secretary